

STATE OF INDIANA

BEFORE THE NATURAL RESOURCES COMMISSION
OF THE DEPARTMENT OF NATURAL RESOURCES

IN RE: PETITION OF NOBLE ENERGY, INC., TO ESTABLISH A DRILLING UNIT, PURSUANT TO 312 IAC 16-5-2(f), IN AN AREA NOT COVERED BY THE RECTANGULAR SURVEYING SYSTEM AND FOR AN EXCEPTION TO 312 IAC 16-5-1, THE GENERAL OIL AND GAS WELL SPACING REQUIREMENTS

PETITION

COMES NOW Noble Energy, Inc., on behalf of itself and other owners of the leasehold interests set out herein (hereinafter "Petitioner") by attorney Karen J. Anspaugh, and respectfully shows the Department of Natural Resources of the State of Indiana the following:

1. Petitioner owns or is the duly authorized representative of various interests, including working interests and royalty interests, in the oil and gas leaseholds covering all of the land known as the **RIDGWAY 1-4H DRILLING UNIT**, described as follow (hereinafter "Affected Area"):
 - o *Part of the South Half of Section 4, Township 6 North, Range 9 West, and Survey 17, Township 6 North, Range 6 West, Sullivan County, Indiana, containing 384.06904 acres, more or less.*
- Attached hereto and incorporated herein are a list of said leasehold interests, labeled as Exhibit A, and a map of the Affected Area and a depiction of the well path, labeled as Exhibit B.
2. Pursuant to 312 IAC 16-5-2(f), Petitioner herein submits a Request to Establish a Drilling Unit in an area not covered by the rectangular surveying system of the U.S. Public Lands Survey, to establish one (1) drilling unit containing approximately 384.06904 acres, for horizontal drilling only into the New Albany Shale formation in the area specified herein.
 3. Pursuant to 312 IAC 16-5-1, Petitioner herein submits a Request for an Exception to the General Well Spacing Requirements to eliminate spacing restrictions pertaining to the horizontal well, except that no portion thereof shall be drilled to within 330 feet of any unconsolidated property boundary.
 4. Petitioner herein respectfully submits to the Commission that the present Request to Establish a Drilling Unit and Request for Exception to the General Oil and Gas Well Spacing Requirements are supported by regional and geological characteristics and would allow the most efficient and economic recovery of natural gas:

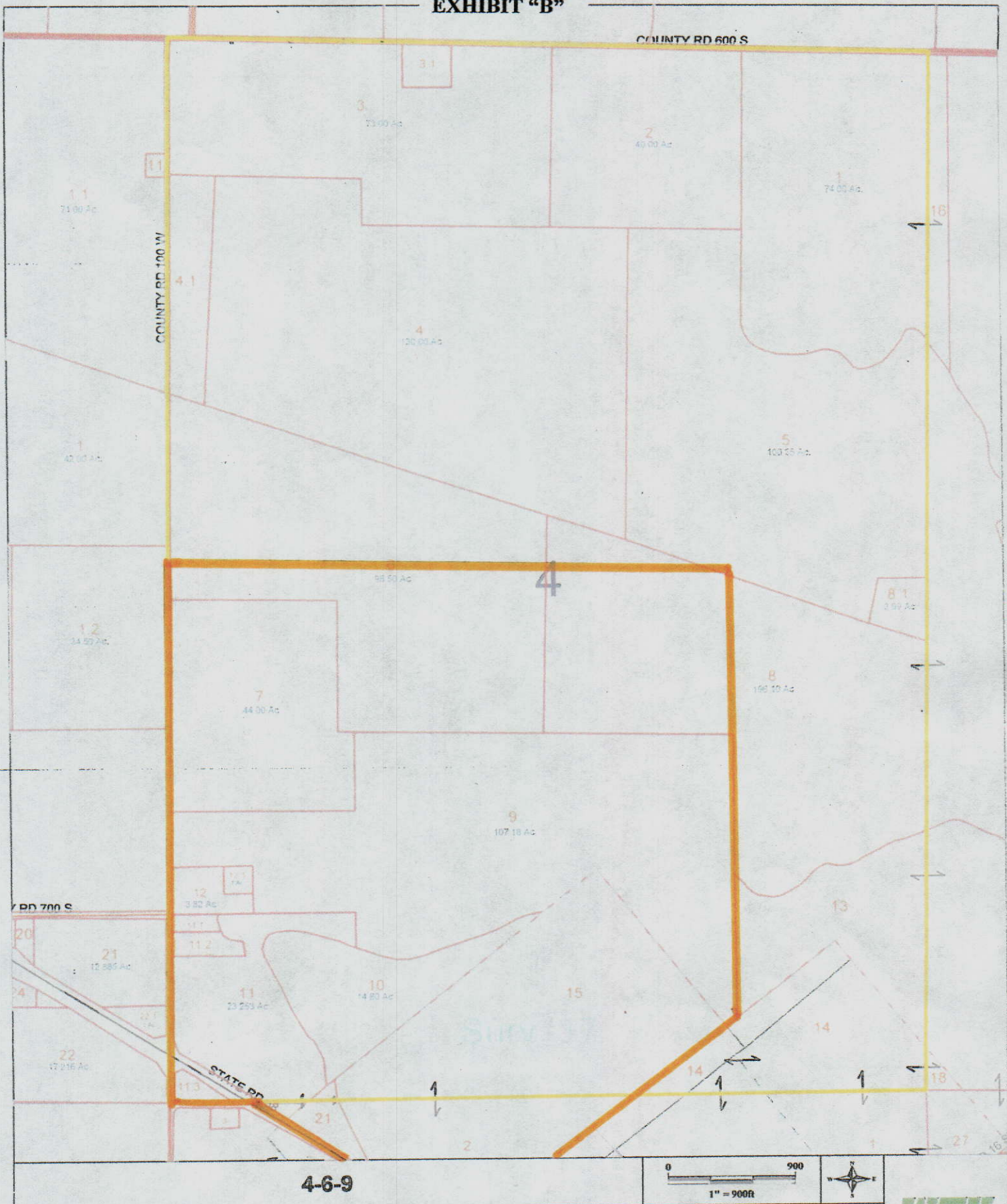
- a) During drilling and initial testing in and near the Affected Area, commercial quantities of natural gas were encountered within the New Albany Shale formation;
 - b) Permeability within the New Albany Shale formation is low and the use of a horizontal well is expected to more economically keep pace with volume requirements at the Affected Area natural gas processing facilities;
 - c) Drilling a horizontal well will enhance gas recovery within the New Albany Shale formation by cutting across existing fracture patterns within the formation which are often more vertical than horizontal in nature, thereby facilitating the flow of gas from the shale, to the fractures, to the well bores;
 - d) Drilling a horizontal well in the manner described herein can effectively and economically recover the natural gas resources within a 384.06904 acre drilling unit;
 - e) The proposed Request to Establish a Drilling Unit and Request for Exception to the General Oil and Gas Well Spacing Requirement will not result in a loss of resources within the New Albany Shale formation of the Affected Area, but will enhance recovery of the natural gas from the low permeability of the New Albany Shale formation.
5. Petitioner is ready and willing to supply the Commission or its representatives such further and additional information as may be pertinent or relative to consideration of the above described Request to Establish a Drilling Unit and Request for Exception to the General Oil and Gas Well Spacing Requirements within the Affected Area, either at or prior to consideration of this Petition.
6. Petitioner has opted against attaching structure maps hereto, as structure has little effect upon the production of natural gas from the New Albany Shale formation. The quantity of natural gas recovered will depend instead upon the existing fracture patterns within the formation, which are consistently vertically inclined.
7. Petitioner represents that to the best of its knowledge, information and belief, it would be in the best interests of conservation and the preservation and utilization of petroleum resources to:
- a) Allow the creation of a 384.06904 acre drilling unit for a horizontal well into the New Albany Shale formation in the Affected Area;
 - b) Eliminate standard well spacing restrictions, except that no portion of the well shall extend to within 330 feet of any unconsolidated property line.

Therefore, Petitioner prays that after a public notice period and through an informal hearing, the above described Request to Establish a Drilling Unit and Request for Exception to the General Oil and Gas Well Spacing Requirements be authorized and established pertaining to the New

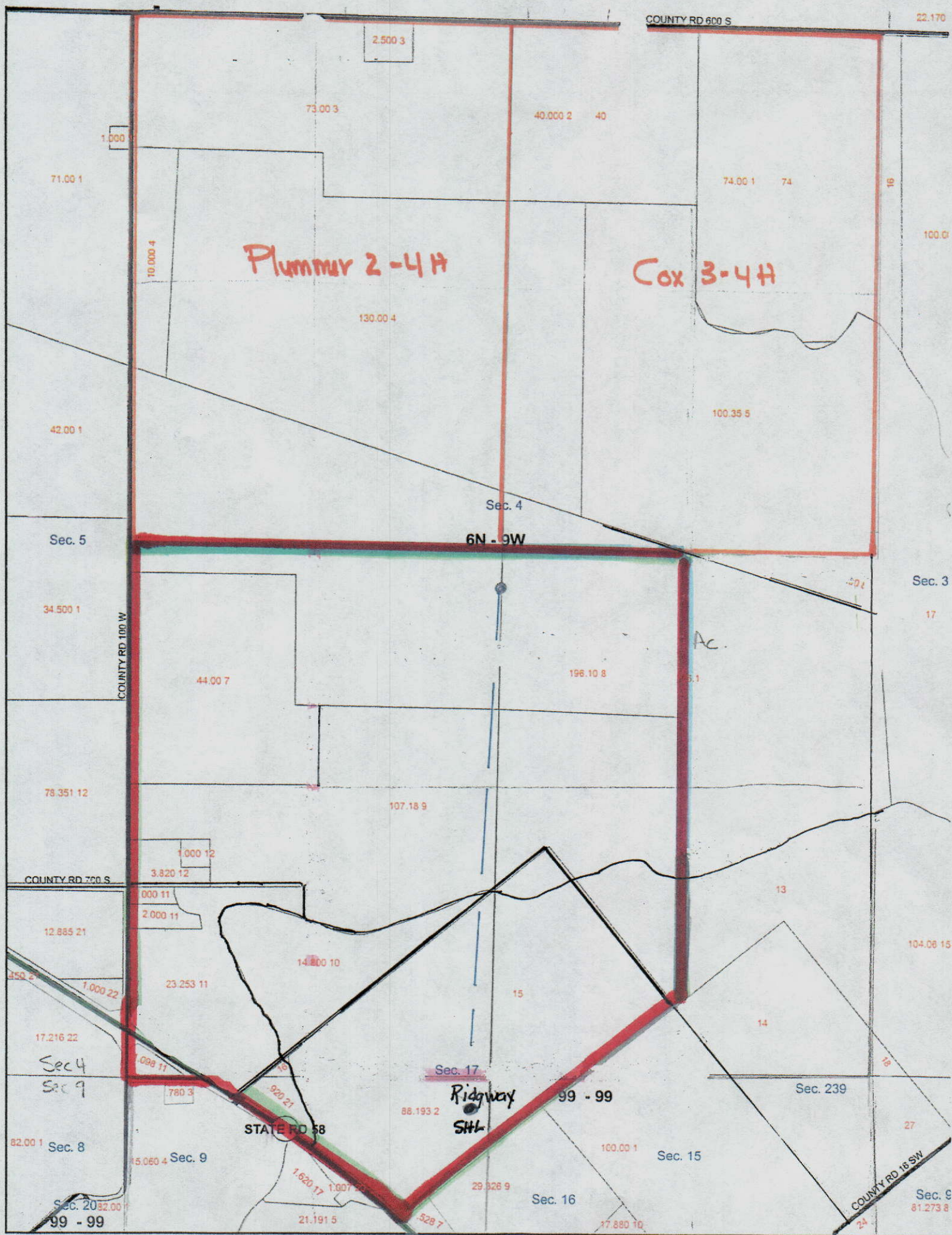
EXHIBIT "A"
Schedule of Leasehold Estates
Part of the South Half of Section 4, Township 6 North, Range 9 West
Survey 17, Township 6 North, Range 9 West
Sullivan County, Indiana

Tract	Acres	Last Name	First Name	Address	City	State	Zip
006	46.80130	Phegley	Carter	6267 South County Road 100 West	Carlisle	Indiana	47838
007	44.07094	Solsman	George and Mary Lou	4246 Landsburg Court	Akron	Ohio	44321
008	40.00000	Phegley	Carter and Grace	6267 South County Road 100 West	Carlisle	Indiana	47838
009	112.98617	Stafford	Robert	5781 South Old US 41	Carlisle	Indiana	47838
010	22.69719	Knotts	Darrell and Carol	766 West State Road 58	Carlisle	Indiana	47838
011	23.78209	Spencer	Anna	890 West State Road 58	Carlisle	Indiana	47838
011.001	0.95296	Cox	Richard and Terry	6971 South County Road 100 West	Carlisle	Indiana	47838
011.002	2.00002	Porter	Nancy	Post Office Box 24	Carlisle	Indiana	47838
011-003	1.29202	Morgan	Nicholas and Ann Marie	987 West State Road 58	Carlisle	Indiana	47838
012	3.77386	Cox	Richard and Terry	6971 South County Road 100 West	Carlisle	Indiana	47838
012.001	1.00000	Clouse	Jamie and Amy	6971 South County Road 100 West	Carlisle	Indiana	47838
015	84.71249	Ridgway	John and Peggy	734 West State Road 58	Carlisle	Indiana	47838
	384.06904			TOTAL ACRES IN DRILLING UNIT			

EXHIBIT "B"



This property ownership map is for tax purposes only. It is not intended for conveyances, nor is it a legal survey.



Nemecek, Mona

From: Karen Anspaugh [kja@anspaughlaw.com]
Sent: Friday, November 21, 2008 10:51 AM
To: Nemecek, Mona
Subject: RE: Ridgway petition
Attachments: 6n-9w[4].TIF; Ridgway 1-4 Exhibit B.tif

011-003	1.29202	Morgan	Nicholas and Ann Marie	987 West State Road 58	Carlisle	Indiana	47838
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I can understand the confusion. I did not reflect that the parcel contains 1.098 acres due to the attached survey performed of the drilling unit.
The computer generated parcel map predated the drilling unit change. But the attached Exhibit B does show Tract 011-003 in the drilling unit. I thought the extra blue computer generated map would help but I see the inconsistency is not helpful.

Thank you.

Karen J. Anspaugh

From: Nemecek, Mona [mailto:MNemecek@dnr.IN.gov]
Sent: Thursday, November 20, 2008 4:13 PM
To: kja@anspaughlaw.com
Subject: Ridgway petition

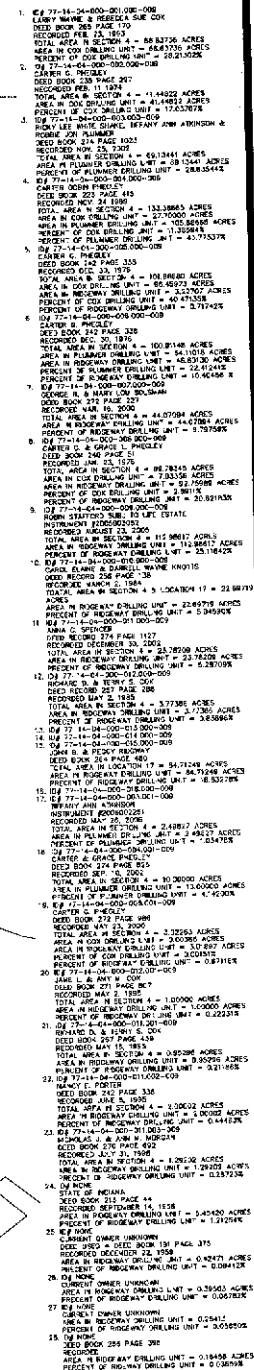
Karen...For the Ridgway petition, who owns the triangle of land in the far southwest corner of the drilling unit, comprised of 1.098 acres? That tract is not listed on Exhibit "A" and it is not colored for ownership on the Parcel map.

Mona

Mona L. Nemecek
IN DNR Div. Oil and Gas
Manager, Technical Services
Petroleum Geologist
317-232-0045 voice
317-232-1550 fax

11/24/2008

A COMMUNITIZATION PLAT OF
SECTION 4 AND A PART OF LOCATION 17
TOWNSHIP 8 NORTH, RANGE 9 WEST,
OF THE SECOND PRINCIPAL MERIDIAN,
SULLIVAN COUNTY, INDIANA



THE ABOVE PLAY AND FACTORS WERE PRESENTED UNDER MY DIRECTION FROM A BACKGROUNDING SURVEY PERFORMED IN A DECEMBER OF 2007. THIS PLAY IS NOT A SECONDARY SOURCE. THERE ARE MANY DISCREPANCIES IN THE WRITINGS OF THE SECONDARY SOURCE. THIS SECTION TO CORRECT THE TITLE HISTORY OF THE PROPERTY AND TO CORRECT THE SECTION TO CORRECT THE TITLE HISTORY OF THE PROPERTY SHOULD BE RESEARCHED IN ORDER TO DETERMINE THE FACTS. THE WRITINGS, OR TO SEE HOW FAR HE AND SENIOR PARTIES. THIS PLAY IS NOT INTENDED TO BE HELD UPON. SHOULD NOT BE WRITTEN UPON BY ANYONE OTHER THAN MEMBERS OF THE PRODUCTION (I.E. WITH RESPECT TO ANY MATTERS TREATED HEREIN).

Michael L. Gill
Michael L. GILL, R.L.R.
Illinois Registration No. 0004012

LAMAC JOB NO. C07UN1465Y	ILLINOIS OFFICE	INDIANA OFFICE
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SHEET 2 OF 3

Drawn By: ANR	SCALE:
Checked By: MG	1" = 400'
Date: 2-04-08	

